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27 January 1959

NSC BRIEFING

BACKGROUND FOR OCB SATELLITE PAPER

I. Albania, Bulgaria, Czechoslovakia and Rumania usually termed "orthodox" satellites, ~~had~~ all studiously avoided divergence in 1955-56. These countries quickly suppressed scattered demands in literary and party circles for increased freedom and for the elimination of Stalinist practices.

A. In Albania, although a small flurry occurred within the party, the "thaw" was permitted to make no inroads at all in the country.

B. In Bulgaria, Vulko Chervenkov was forced out as party leader--but fact that he was retained on politburo and in high government position was illustrative of the strength of Stalinism in that country.

C. In Czechoslovakia, there was some unrest in the party in early 1956 and considerable student dissidence by students in early summer, but the regime quickly stamped it out and no further expression of "thaw" spirit was tolerated.

D. In 1956 the Rumanian regime came down hard on intellectual dissidence. During and after the Hungarian revolution,

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there were sympathetic rumblings in Hungarian and student circles in Transylvania, but regime was alert to problem and handled it effectively.

II. All four countries seized on change of atmosphere following Hungarian revolution to justify their previous fealty to Stalinist cause. All were quick to respond to Khrushchev's call at 40th anniversary celebrations in November 1957 in Moscow for a general tightening of discipline.

III. As a result of revolution Hungary's problems have been unique.

A. Objective of Kadar regime has been to resurrect a functioning economic-political unit from ashes of revolution.

1. Despite impediments caused by exigencies of Soviet intra-bloc policy--such as renewed dispute with Yugoslavia and execution of Imre Nagy--and continued world attention towards Hungarian issue, Kadar has had some success in obtaining popular acceptance of regime, in putting economy back on its feet, and in rebuilding the party, which is still faction-ridden.

B. Kadar retains Khrushchev's endorsement despite uncertainties caused by his former ties with Yugoslavs and with Nagy, but he will probably be replaced when Moscow decides to resume hard-line internal policies in order to speed up building of "socialism."

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IV. There have been some recent signs of instability in certain of these countries.

A. In Rumania, an accelerated campaign of forced collectivization in winter of 1957-58 caused sporadic peasant resistance. Since then, regime has moderated its policy in this sphere.

1. In response to the bloc campaign to tighten internal discipline, however, it moved rather drastically not only against "corrupt elements," as did other Satellite regimes, but against various potential dissident elements, (churches, managerial bureaucracy and foreigners) as well.
2. Although there was no indication of any threat to regime, excessive nature of campaign appeared to reflect some uneasiness.

B. In Czechoslovakia, recent coercive measures by regime, made necessary by Czechoslovakia's increased burder under bloc economic programs and by aid it is giving to underdeveloped nations, have caused rumblings of discontent, especially among workers but also among rural population.

1. Regime appears alert, however to dangers inherent in situation, and will probably proceed with caution in order not to provoke open displays of unrest.

V. Reports from Bulgaria, taken together with evidence from Poland and hints from Hungary, indicate that under surface

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commune question is playing a significant role in factional fighting between Khrushchev-backed moderates and die-hard Stalinists in Eastern Europe.

- A. Official line in staliities has, for most part, been to follow Soviet lead and deny applicability of commune system in Eastern Europe.
- B. In Bulgaria, the party leaders, influenced by spirit of Chinese commune experiment, in October 1958 initiated a drive to pre-fulfil their five year plan (1958-62), and in November, revised the goals of their plan upwards by launching a "great leap forward" of their own.
 - 1. A serious factional fight reportedly occurred, however, during a Bulgarian party central committee meeting in December over a proposal for further radical reorganization of Bulgaria's economic program, to include features of Chinese communes.
 - 2. Former Stalinist party boss Chervenkov may have used Chinese example in bid for power against present party chief Zhivkov who has Khrushchev's backing, and whose radical programs since October have been clearly based on Soviet example.

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